

Mr Blackley

*NBC 087/2*IDC, 2 AUGUST: THE FUTURE OF DEFENCE SALES TO IRAN AND IRAQ *122*
2

1. You requested examples of export licence applications which may be affected by a gradual relaxation of the ministerial guidelines following a ceasefire and/or settlement of the conflict. ***

2. You may wish to draw on the following general categories (with specific examples).

i). Dual purpose aircraft spares

All equipment falling in the above category, including helicopters, are subject to ministerial deferral, although the end users may be civilian. Deferred licences include:

- Aerocontracts: spares for F27 Transport A/C
- Trans Aero Comp: Civil Helicopter spares
- Dunlop: Aircraft tyres for various A/C

These would constitute borderline cases that could probably be approved after a ceasefire is implemented.

ii) Equipment for Iranian Navy

As we discussed earlier, relaxation of the guidelines covering this equipment is unlikely until the threat to the Armilla Patrol or neutral shipping has reduced considerably.

Examples of licences include:

- Westland hovercraft spares
- Marconi Radar
- Kelvin Marine Diesel Engines
- GEC Marine ship propulsion gear spares.

iii) General Export Licence applications

Other cases where applications have been refused or deferred but which might be approved once a ceasefire is seen to be working and leading towards a permanent settlement, include

- Ferranti: Training simulator
- Lovaux : Viper Engineer for Jet Provost
Basic trainer
- Matrix Churchill: Lathes

McLoughlin

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